

# Green Effects Fund FACTSHEET



JUNE 2021

## Fund Objectives

The objective of the fund is to achieve long term capital growth through a basket of ethically screened stocks. The fund invests in a wide range of companies with a commitment to either supporting the environment or demonstrating a strong corporate responsibility ethos. Sectors such as wind energy, recycling, waste management, forestry and water-related businesses all feature prominently within the fund. The fund can only invest in the constituents of the Natural Stock Index (NAI) which was set up in 1994 and currently consists of 30 global equities.

## Key Information

Morningstar Rating	★★★★★
Fund Inception	Oct 2000
NAV	€376.08
Minimum Investment	€5,000
Dealing Frequency	Daily
Investment Manager	Cantor Fitzgerald Ireland Ltd
Custodian	Northern Trust
Administrator	Northern Trust
Sales Commission	3%
Investment Mgt Fee	0.75%

\*Prices as of 31/5/2021

Source: Bloomberg & Cantor Fitzgerald Ireland Ltd Research

## Fund & Share Class Information

Fund Size	€164.23m
Fund ISIN	IE0005895655
Fund Sedol	0589565
Bloomberg	GEFNVL ID
Domicile	Ireland
Structure	UCITS Fund

## Historic Yield

*Fund Yield	1.35%
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Fund yield is historic based on full year 2017 dividend income received. The fund does not distribute income to investors. All dividend income is reflected within the NAV price of the fund.

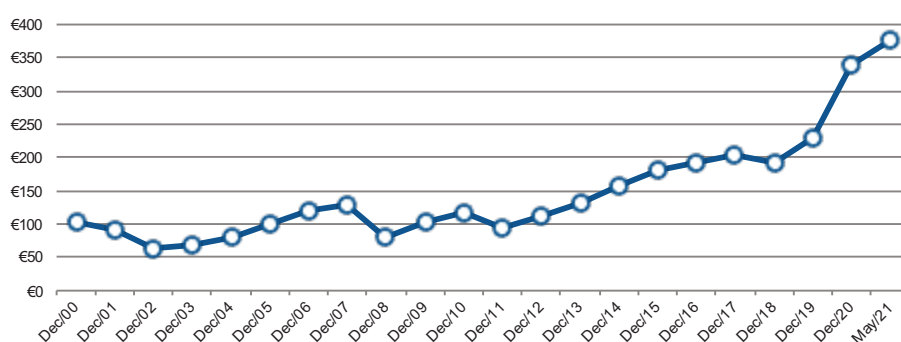
## Total number of holdings

Number of holdings	30
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## Market Capitalisation Exposure

Large: > €3bn	60%
Medium: €500m - €3bn	37%
Small: < €500m	3%

## GREEN EFFECTS FUND NAV SINCE INCEPTION

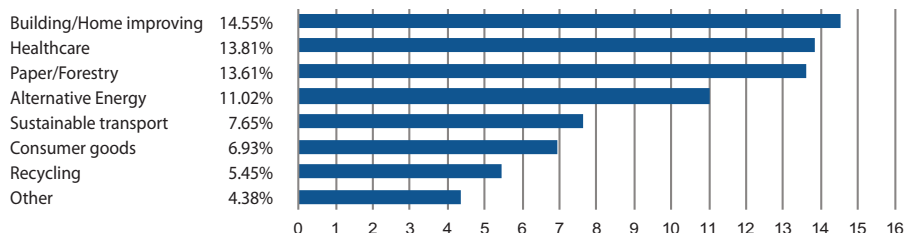


Source: Cantor Fitzgerald Ireland Ltd Research

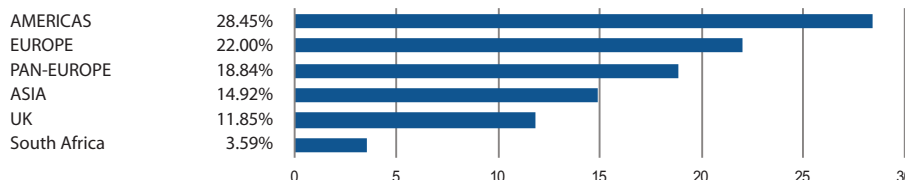
## ESMA RISK RATING



## LARGEST SECTOR EXPOSURE %



## GEOGRAPHIC EXPOSURE %



Performance	1 Month	YTD	1 Year	3 Year*	5 Year*	10 Year*	Inception*
Green Effects	-1.4	10.6	26.8	21.0	15.2	12.7	6.4
MSCI World €	-0.2	11.6	28.3	13.3	12.7	12.8	5.1
S&P 500 €	-0.7	12.8	27.6	16.2	15.0	16.2	5.8
Euro STOXX 50	2.5	15.8	36.4	9.0	9.1	7.4	2.6

As of 31/5/2021. Source: Cantor Fitzgerald Ireland Ltd Research, Bloomberg and Northern Trust. \*Annualised Return.

## Top 15 Positions

Vestas	8.87%
Smith & Nephew	8.82%
Acciona	5.46%
Kingfisher	5.12%
Molina	5.05%
Mayr Melnhof	4.65%
Kurita	4.16%
Steico	3.97%
Aixtron Ag	3.79%
Svenska Cellulosa	3.64%
Ricoh	3.58%
Tomra Systems	3.50%
Potlatch	3.08%
Aspen Pharmacare	3.05%
Shimano	2.86%

Source: Cantor Fitzgerald Ireland Ltd Research

## Fund Sector Exposure vs MSCI World

Sectors	GE	MSCI
Information Technology	7.40%	21.50%
Financials	0.30%	13.80%
Health Care	18.00%	12.30%
Consumer Discretionary	10.70%	12.10%
Industrials	29.10%	10.70%
Communication Services	0.30%	9.30%
Consumer Staples	4.20%	7.10%
Materials	8.60%	4.60%
Energy	0.00%	3.00%
Utilities	7.60%	3.00%
Real Estate	3.10%	2.70%
Cash	10.80%	0.00%

Source: Cantor Fitzgerald Ireland Ltd Research

## Sector Exposure Compared to a Traditional Global Equity Fund

The fund does not invest in banks, oils, mining or metals. From a performance and relative returns perspective this is something that all investors should bear in mind when considering investing in the fund. The overriding investment theme from a sectoral perspective remains that of alternative energy, water, waste management and similar companies with a strong corporate social responsibility (CSR) focus in both their culture and work practices.

## Fund Manager Comment

The Green Effects Fund NAV price ended May at €376.08 which was a return of -1.42% bringing the return for 2021 to +10.60%. During the month there were two changes to the NAI Index with Gaia Inc and Aegion being replaced with Pearson and BioNTech SE.

**Pearson plc** is a British multinational media company headquartered in London. It is the largest education company, the largest book publisher, and the largest publishing group in the world by revenue. Pearson provides educational products and services to institutions, governments, and individual learners. The company provides teacher training, educational software and system-wide solutions, and owns and operates schools. **BioNTech** is an immunotherapy company pioneering the development of therapies for cancer and other serious diseases. The company combines a variety of novel therapeutic approaches to advance biopharmaceutical product development. The company has leveraged this lead to become the first company to bring a vaccine against Covid-19 to market after only ten months of development. In addition to developing therapies for cancer, BioNTech is working on vaccine candidates for nine other infectious diseases, including HIV and tuberculosis, which disproportionately affect people in low and lower-middle-income countries.

The largest detractors from the NAV move during the month came from **Vestas** (-0.81%) and **Tesla** (-0.43%). Positive contributions to the NAV came from German insulation group **Steico** (+0.44%) and Japanese electronics group **Ricoh** (+0.33%). In terms of activity on the month the fund initiated positions in Pearson and BioNTech and also added to its holding in Vestas Wind Systems. The energy sector has underperformed somewhat over the last 2 months however the earnings outlook for names like Vestas over the next 3-5 years remains robust. The US Biden administration remains committed to widescale initiatives around supporting lower emissions which will likely remain a tailwind for the sector over the coming years. During the month the International Energy Agency (IEA) confirmed that the global renewable energy industry grew at its fastest pace since 1999 last year and new capacity additions are expected to remain at a similar level. Separately the German government agreed to tighten carbon emissions targets, which could trigger \$9.7 billion of additional spending next year for protecting the climate. Germany's goal is to reduce carbon emissions (now 40% below 1990 levels) 65% by 2030 and net zero by 2045.

Lastly the other notable sector news item from an ESG perspective was the ongoing pressure that large cap Oil Majors like Royal Dutch Shell are coming under to step up their lower emissions targets. This was most visible during May when Royal Dutch Shell held its virtual AGM. Many activists and shareholders pointed out that after 2030 there is significant uncertainty about how society will transition to net-zero emissions.

Cash within the fund has risen to circa 11% following the recent takeover of Aegion shares (the fund had circa 3% exposure to the stock).

## Annual Returns

2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
2.40%	-11.25%	-30.00%	9.71%	14.38%	23.95%	22.52%	6.42%	-38.47%	31.28%	13.47%
2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
-19.61%	16.02%	19.87%	18.42%	15.72%	6.62%	6.8%	-5.91%	23.34%	42.70%	10.58%

Source: Cantor Fitzgerald Ltd Research, Bloomberg and Northern Trust



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